

# Personal Best

WINNING AT LABOR



**2005**

UNITED STATES DEPARTMENT OF LABOR  
Report to Employees





## Secretary's Message

Dear DOL Colleagues:

In this second Annual Report to Employees, I am especially pleased to announce that once again the Department of Labor has reached another important milestone that ranks it as the **best managed department** in the federal government.

The Office of Management and Budget has awarded the Department of Labor its highest score, a “green light,” in all five government-wide categories of the President’s Management Agenda. That’s a “green” for *Strategic Management of Human Capital, Competitive Sourcing, Improved Financial Performance, Expanded Electronic Government, and Budget and Performance Integration*.

In fact, the Department of Labor is the **first department to achieve top scores** in all five government-wide areas. Because of the hard work and commitment of our Department’s employees, we were also awarded **President’s Quality Awards** in both *Strategic Management of Human Capital* and *Budget and Performance Integration*. I am also pleased to report that we are making excellent progress on other presidential management initiatives, including *Faith-Based and Community Initiatives*, and *Eliminating Improper Payments*.

Our Department’s core mission is to help America’s workforce remain the safest, most skilled and most competitive in the world. The President’s Management Agenda is **a powerful tool** to help us achieve these worthy goals. Whether it’s helping workers stay safe on the job, ensuring that every worker is fully and fairly compensated, or **helping workers** find new jobs and upgrade their skills—the work we do is critical to ensuring a bright future for America’s workers.

So thank you for everything you are doing to improve the ways we serve **America’s most precious resource**: its workforce.

Sincerely,

Elaine L. Chao





## Statement from the Deputy Secretary

Can a Cabinet Agency with nearly 17,000 employees have a **“personal best?”**

You bet.

The Department of Labor has already become the “leader of the pack” in the Executive Branch – as the **first** Agency to get all green scores on the President’s Management Agenda Scorecard.

We achieved this remarkable milestone **thanks** to the professionalism, skill, and dedication of our Department’s managers and front-line employees – some of whom you will get to read about in this year’s Report to Employees.

**Together**, we took on the challenge of the President’s Management Agenda, we designed a plan to “get to green” on all of the major PMA initiatives, and we hit every single mark we set for ourselves – in many cases, surpassing the rigorous standards that OMB had laid down.

Today, the Department of Labor is held up as a **model** for others to emulate. Our ever-expanding GovBenefits.gov web portal sets the standard for other Agencies’ e-government solutions. The smooth and successful transfer of our payroll to the National Finance Center is a case-study in project management. And we have not only scheduled all of our programs for Performance Assessment Rating Tool (PART) reviews, we have already raised PART scores for many of the programs we have reviewed thus far.

The **next** critical step is to translate these management initiatives and disciplines into results that matter. “Getting to green” isn’t the goal, it is a means to an end. The real goal is to strengthen our Department’s operations to provide:

- The best possible service to workers
- The best possible value to taxpayers
- The best possible work experience for our own DOL workforce

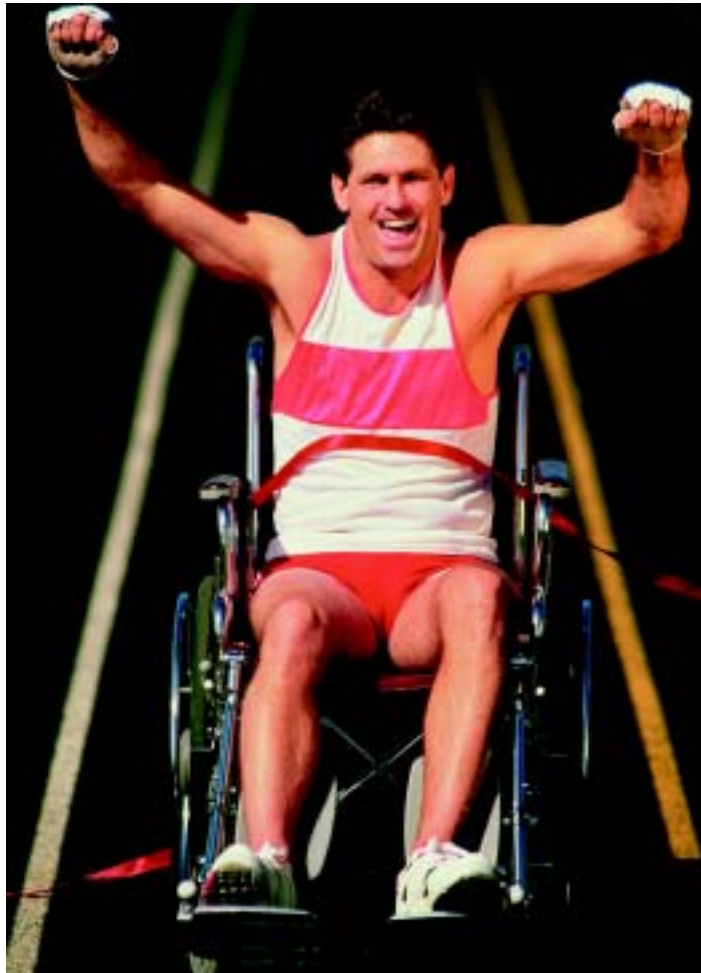
This Report to Employees talks about what **you** are doing to help deliver better service, better value, and a better DOL – in other words, how we are working together to achieve our “personal best.”

Thanks for all you do,

Steven J. Law

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**DOL Mission:** *Foster and promote the welfare of the job seekers, wage earners, and retirees of the United States by improving their working conditions, advancing their opportunities for profitable employment, protecting their retirement and health care benefits, helping employers find workers, strengthening free collective bargaining, and tracking changes in employment, prices and other national economic measurements. In carrying out this mission, the Department administers a variety of Federal labor laws including those that guarantee workers' rights to safe and healthful working conditions; a minimum hourly wage and overtime pay; freedom from employment discrimination; unemployment insurance; and other income support.*

### **DOL Strategic Goals**

- A Prepared Workforce
- A Secure Workforce
- Quality Workplaces
- A Competitive Workforce



## Introduction

When President George W. Bush's President's Management Agenda (PMA) was introduced at the Department of Labor four years ago, little did we realize the deep and long-lasting impact it would have. Not only did it turn our attention to some of the critical management areas that the President thought could be improved, it energized employees throughout the Department to strive for "personal bests." You only have to look at the list of individual and team accomplishments at the Secretary's Honor Awards Ceremony held in April 2005 to see how we are working to ensure that every program works better every year.

While each year brings new issues and challenges, the essential purpose of the Department has stood firm since it was established in 1913.

No matter who you are, or where you work in DOL, you have a crucial part to play in achieving results related to our four strategic goals:

- **Goal One:** A Prepared Workforce  
— *Enhance opportunities for America's workforce;*
- **Goal Two:** A Secure Workforce  
— *Promote the economic security of workers and families;*
- **Goal Three:** Quality Workplaces  
— *Foster quality workplaces that are safe, healthy and fair; and,*
- **Goal Four:** A Competitive Workforce for the 21st Century.

### Edward C. Hugler – '77

*"If you have good work ethic, take interest in doing a good job, and think outside of the in-box, that will lead you to success."*

Edward C. Hugler, Deputy Assistant Secretary for Operations in the Office of the Assistant Secretary for Administration and Management, is a recipient of the Department of Labor's prestigious 2005 Philip Arnow Award, its highest award.

Hugler has had a distinguished career with DOL spanning 28 years and three agencies. Hugler's record of sustained excellence in the performance of his duties has been recognized by his receiving Presidential Rank Awards for Meritorious Achievement in 1993 and 2001.

As Deputy Assistant Secretary for Operations, Hugler is responsible for day-to-day management of Department-level activities in the areas of Information Technology, Human Resources, Employee Safety and Health, Civil Rights, and General Business Services. These management support services are delivered through 475 National Office staff and 325 regional staff in 10 locations.

Hugler has a B.A. from the University of Maryland and a J.D. from Pepperdine University School of Law.



The Honorable Maurice McTigue (right), Director of the George Mason University Mercatus Center's Government Accountability Project, is shown presenting the Department of Labor a special Leadership Award for producing the number-one ranked Performance and Accountability Report for three years in a row. Deputy Secretary of Labor Steven J. Law is shown accepting the award.

(DOL Photo Neshan Naltchayan)

At the end of each year, we take a critical look at ourselves by publishing the *Annual Performance and Accountability Report*, which combines how well we have met Departmental goals, together with the Department's Financial Statement. For the third year in a row, our annual report has been rated number one by George Mason University's Mercatus Center, and for the fifth consecutive year the Department has received the Certificate of Excellence in Accountability Reporting award

from the Association of Government Accountants. For the eighth straight year, the Department has received a "clean" audit opinion.

While not every goal is met — and we strive to set ambitious targets — this assessment helps us plan for the future in order to ensure that we deliver the best possible services to workers at the best value for taxpayers. ■

### Larry A. Auerbach – '78

*"One of the exciting things about working at the Department of Labor is that I've had the opportunity to be involved in matters that are really important to people."*



Larry Auerbach is the Deputy Regional Solicitor in Atlanta and a recent recipient of the Exceptional Service Impact Award.

His distinguished career in federal service began over 30 years ago, first as a management intern and then as a compliance officer. For the past 26 years, he has helped protect and serve workers as an attorney in the U.S. Department of Labor's Office of the Solicitor in Atlanta.

In 1978, Auerbach joined the Office of the Solicitor as a trial attorney. He has litigated many successful cases that have improved labor situations for migrant workers, and defended the rights of employees who had experienced discrimination on the basis of race, gender, or disability.

Auerbach received a Bachelors in Chemical Engineering and a Masters in Business Administration from the University of Alabama. In 1976, he received his Law Degree from John Marshall Law School in Atlanta.

This one-time Eagle Scout is also a recipient of the distinguished Career Service Award and has received five exceptional achievement awards.

Q  
A

**Q:** What is so important about DOL having eight straight "clean" audit opinions?

**A:** A "clean" audit opinion means that the Department's financial books are in order. Eight consecutive clean opinions shows that DOL's fiscal integrity and financial systems can be relied upon to help secure the highest measure of accountability for the American people.



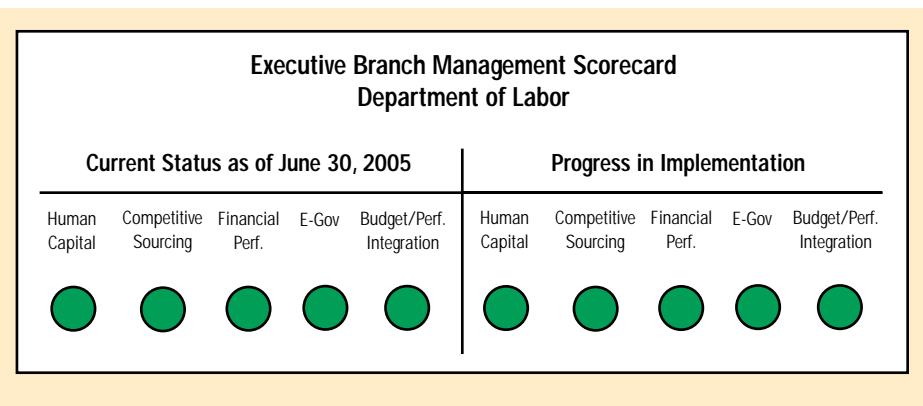
## President's Management Agenda Scorecards

We have also shown our winning side by achieving the high standards set for our Department under the President's Management Agenda (PMA). Since the start of the PMA in 2001, the Department has made steady progress across the board. In all five government-wide initiatives we now have "green" status scores: *Strategic Management of Human Capital*, *Competitive Sourcing*, *Improved Financial Performance*, *Expanded Electronic Government*, and *Budget and Performance Integration*. These scores put us among the best Cabinet-level Departments in government. We have also been recognized for our hard work by being awarded *President's Quality Awards for both Strategic Management of Human Capital and Budget and Performance Integration*.

We continue to push for progress in other PMA initiatives that are specific to our Department: the *Faith-Based and Community Initiative*, *Real Property*, and *Eliminating Improper Payments*. These initiatives now stand as "yellow" scores in status with "green" in progress.

To ensure that we are staying on top of each DOL agency's efforts on the PMA initiatives, we created our own DOL agency scorecard to measure internal progress and support of the Departmental-level effort.

Because Compliance Assistance is an essential part of our Department-wide mission, we also have developed an internal scorecard to assess Agency progress in this area. DOI's compliance assistance tools and resources are available in a variety of media and formats, including interactive Web sites; pamphlets and



other printed materials; workshops; telephone help lines; and on-site visits. The Scorecard emphasizes the use of evaluations and feedback to ensure that the most effective compliance assistance tools and strategies are used.

For all these initiatives, we must not only work toward achieving "green" scores, but must also translate these scores into results that benefit workers. ■



## Performance-Based Budgets: Putting Money Where the Results Are

One key aspect of delivering the best service to workers is to ensure we are managing our programs well by defining what the outcomes should be; putting in place the means to measure how well we are doing; and making corrections for improvement.

Through our performance-based budget process, the Department is now aligning resources with results; ascribing full costs to budget activities and performance goals; including efficiency measures; using marginal cost in justification analyses; and connecting results to budget decision-making.

The centerpiece of this process is the Program Assessment Rating Tool (PART). Each year, one-fifth of the Department's programs undergo this comprehensive review. PART ratings include ambitious outcome-oriented performance targets, the results achieved, and the development of efficiency measures and targets. Information gleaned from the PART becomes one aspect of the decision-making process regarding funding requests presented in the budget.

The Department's Center for Program Planning and Results (CPPR), which manages DOL's PART efforts, saw a need for greater understanding about the PART process. **Dave Frederickson ('03)**, a Program Specialist in CPPR, developed a PART training presentation aimed at helping programs prepare for the PART, improving PART submissions, and learning how to improve PART scores. The training served as a kickoff for the 2005 PART process. OMB's Labor Branch participated in the training, providing their insights and suggestions.

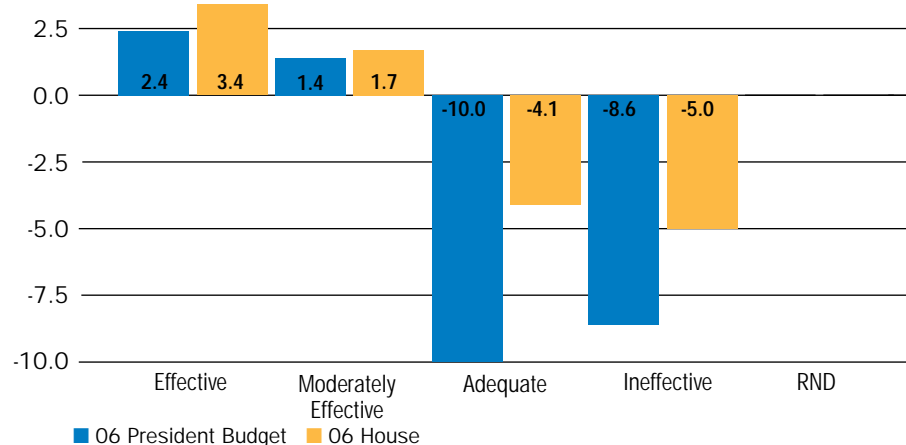
Based on PART reviews and other policy determinations, the Department recommended 18 program terminations and 45 program cuts between FY 2001 and FY 2005. These were not easy recommendations, and while Congress can make changes through appropriations legislation, we owe it to the

American people to provide best-value, effective programs for the taxpayers' money.

Examples of PART-related initiatives at the Agency level are given in the Agency Perspectives section of this report. ■

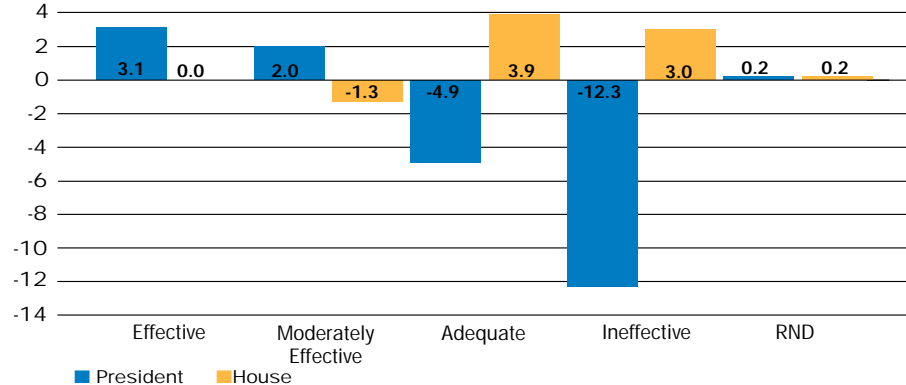
### DOL PART Program Budget vs. House Bill:

% Change Between FY 05 Enacted and FY 06 Budget



### DOL PART Program Budget vs. House Bill:

% Change Between FY 04 Enacted and FY 05 Budget



Congress has not always adopted the PART scoring when choosing funding priorities, but so far in the FY 2006 Budget process, we can see that the House Appropriations bill is following the PART scoring much more closely than the year before. At time of publication, we did not have data for the FY 2006 Senate Appropriations bill.)

## The Right Person in the Right Job, at the Right Time, with the Right Competencies

Achieving “personal bests” at our Department can only be done when we have the best people with the proper tools needed to succeed — this is the key to improving program performance every year.

In the past, we often heard complaints from DOL managers that they needed more workers with the skills to meet their program’s goals.

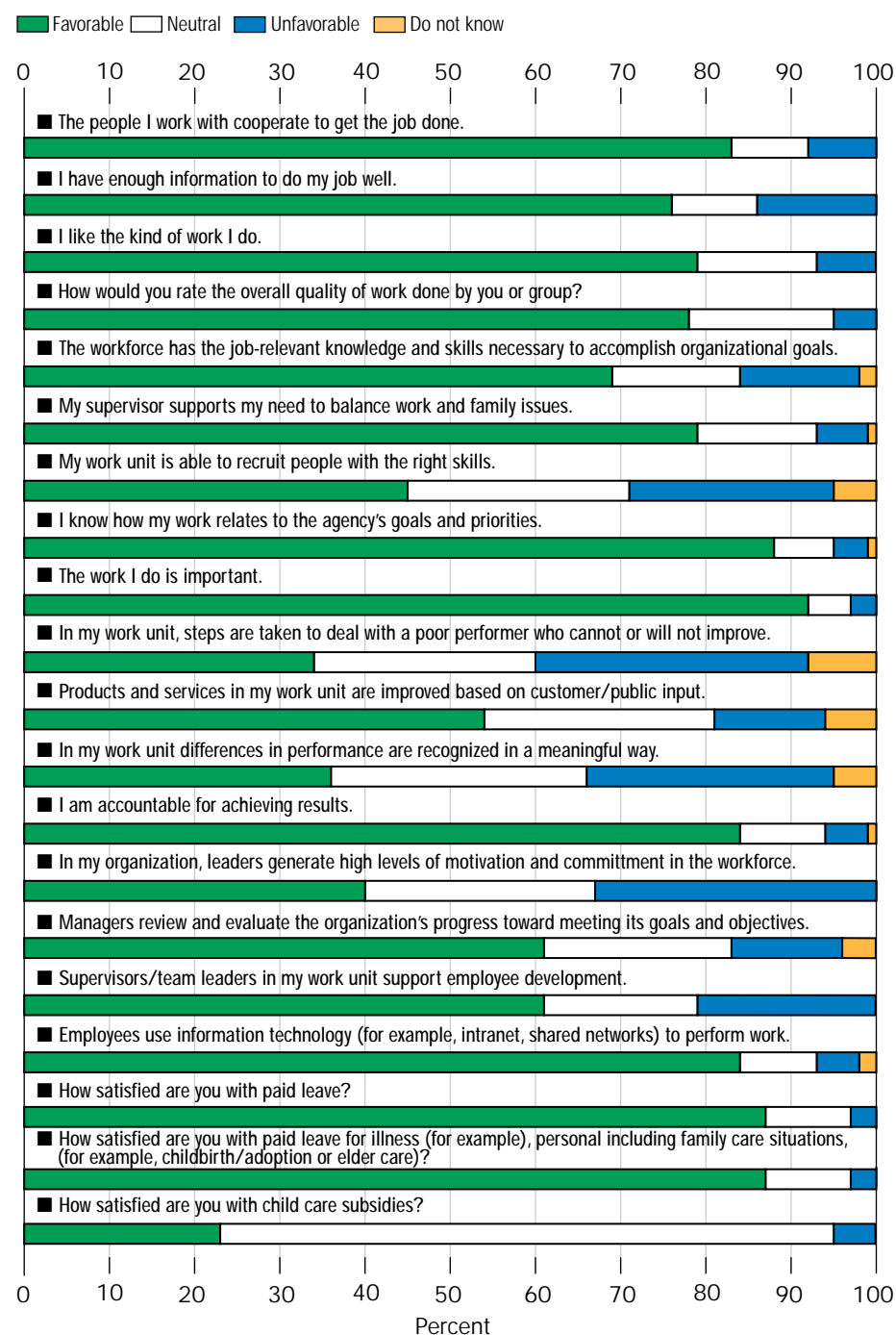
In response, DOL launched an on-line competency assessment tool in which supervisors conducted skills inventories for employees in “mission-critical” occupations. This gave our managers a blueprint for identifying skills gaps within their agencies, and a roadmap for hiring and training workers in the future.

Another area of ongoing effort is streamlining our hiring process. The DOL Online Opportunities Recruitment System (DOORS), which allows job applicants to submit an application and resume online, was launched in October 2004. In the first six months, DOL received over 45,000 applications for approximately 1,000 jobs. As a result, DOL hiring managers are making more timely decisions and making job offers more quickly. This gives our Department a competitive edge over other potential employers.

### 2004 Federal Human Capital Survey

Last year, more than 4,000 DOL employees participated in a government-wide survey administered by the Office of Personnel Management. Questions covered the gamut on employee satisfaction, personal work experiences, recruitment/development/retention, performance culture,

### 20 Highlighted Questions From DOL 2004 Federal Human Capital Survey



leadership, learning, and satisfaction with benefits. We continue to study and respond to the results of this study, to ensure that we are making

the Department of Labor a great place to work.

## MBA Fellows Program

Our MBA Fellows Program – a Secretarial initiative launched by Secretary Chao in 2002 – was set up to attract Masters of Business Administration degree-holders to DOL so that we would benefit from the latest management practices. Fellows participate in a two-year rotation period, where they are assigned specific projects within various agencies. After their two-year stints are completed, they may be converted to competitive positions at Labor.

This successful program recruited three classes of 45 MBA Fellows from 2002 – 2004. The fourth class of 14 MBA Fellows reported in June 2005, increasing the total to 59 participants. Of the 26 Fellows who have “graduated” from the program, 23 have been placed in permanent positions at the Department of Labor.



MBA Fellows Class of 2003, 2004, and 2005 gather in front of the Frances Perkins Building to celebrate the graduation of the first MBA Fellows Class of 2003, and their permanent placement at the Department of Labor.  
(DOL Photo: Neshan Naltchayan).

### Management, Union Reach Agreement, First Since 1992

On March 20, 2005 the Department of Labor entered into a new, three-year collective bargaining agreement (CBA) with Local 12, AFGE, which represents the DOL employees who work in the Washington D.C. area. The agreement marked the end of more than three years of mediation and

bargaining between the Department and Local 12.

The CBA was last negotiated in 1992. That CBA had a term of three years, and was carried over year-to-year for the ensuing seven years. In January 2002, DOL notified Local 12 of its desire to reopen the CBA. However, Local

12 refused to bargain throughout most of 2002. The Department filed an Unfair Labor Practice (ULP) charge against Local 12. After a series of impasses and with the help of a Federal Mediator, DOL and Local 12 ultimately agreed on 75% of the outstanding issues. The final issues were determined by the Federal Service Impasses Panel in January 2005. Soon after, the members of Local 12 ratified the new three-year contract, which took effect in March. ■

*"I am energized by my contribution to the worthy missions of these agencies, and am awed by the unparalleled level of commitment and dedication I have witnessed among civil servants in DOL. This program has indeed afforded me the opportunity to use my business skills for a greater good, and I look forward to many more years of service at the Department of Labor."*

**Erica Roberts ('03)**, ESA  
MBA, Florida A&M University

*"For me, the best feature of the MBA Fellows Program was its flexibility. For two years, I was encouraged to contact people throughout the Department, ask questions, and learn about any area of the Department's mandate that sparked my interest. Eventually, I found my niche in the Bureau of International Labor Affairs, where I now oversee grants to combat international child labor and conduct research on child labor worldwide."*

**Rachel Phillips ('04)**, ILAB  
MBA, Monterey Institute of International Studies

*"I have been fortunate in my career to have gained both private sector and military experience — and the MBA Fellows program is now providing me the opportunity to apply those experiences to public sector programs."*

**Charles Hill ('04)**, OASAM  
MBA, University of Memphis

*"As an MBA Fellow, I have been able to actively participate in the Department's efforts to move DOL toward a results management culture. I have studied about how to change an organizational culture, but to be able to witness this and actively work at a Federal Agency while it is evolving, is an opportunity I would have never been able to experience. Because of this exposure, I am writing my Doctoral Dissertation about driving results management throughout a Federal government organization."*

**Virginia R. Bensen ('04)**, ETA  
MBA, NOVA Southeastern University, Fort Lauderdale, FL



## Using Information Technology to Bring Citizens and Government Together

### Expanded Electronic Government

“Expanded electronic government” refers to our promise to make government more accessible to workers, employers and others who rely on DOL for information – NOT to add more Web sites and systems to a currently confusing sea of wires, servers and databases. In contrast to the “expanding” concept, many of our Information Technology (IT) initiatives are actually working to better integrate current systems at DOL and replace a disintegrated, piecemeal architecture with a much more rational, effective and accessible system.

### Security

Collaboration among DOL agencies, our Office of Inspector General, and our Office of the Chief Information Officer has led to a well-established system of monitoring and managing the security risks of DOL systems. Perhaps the most remarkable achievement of this last year is that we received “authorization to operate” 100 percent of our Major Information Systems. This means that all of our especially costly IT systems and those containing sensitive information have been thoroughly evaluated and found to be operating with an acceptable level of risk.

**Tonya Manning ('01)**, the DOL Chief Information Security Officer, achieved her personal best as a recipient of the 2005 “Federal 100”

award — an award which recognizes the top one hundred IT leaders who made a difference in Federal information technology. She has been a leader in making our IT systems more secure - and therefore more useful to citizens.

### IT Capital Planning and Investment Control

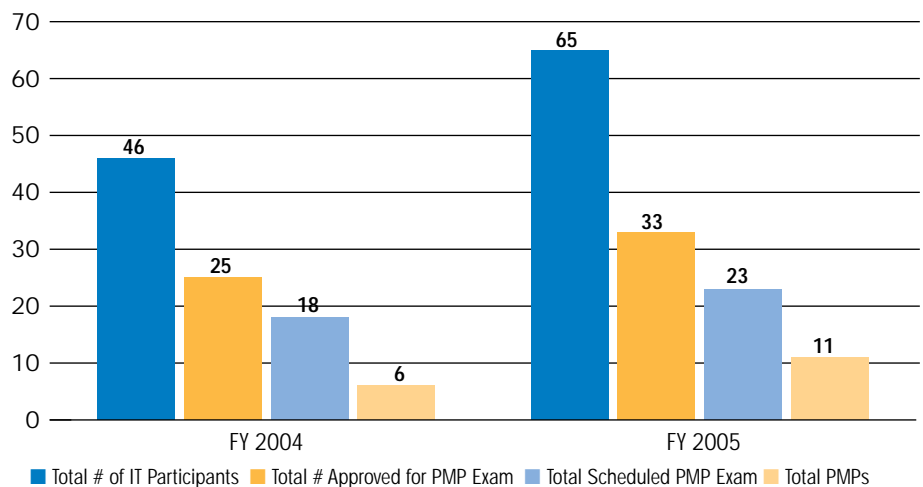
If you know nothing else about IT projects, know this: they are notorious for escalating budgets, scope creep, and missed deadlines. The only way to prevent this is to develop solid plans and to stick with the plans. To ensure that major IT investments adhere to cost, schedule, and performance measures, we adopted an Earned Value Management System (EVMS) Policy and targeted several major IT projects to rollout the new methodology. The success of our new EVM policy is exemplified by having 96 percent of our IT projects within 10 percent of cost, schedule, and performance in FY 2005. In FY 2002, only 70 percent of DOL's IT projects were within 10 percent of cost, schedule, and performance.

A major factor in achieving this program has been employee training in IT project management. Since FY 2004, the Office of the Chief Information Officer has worked with the DOL IT community to help project managers pursue training and certification from the Project Management Institute.

### DOL Enterprise Architecture Program

Our Office of the Chief Information Officer is developing a department-wide IT infrastructure that will make our systems simpler, more flexible and ultimately more technologically advanced. The challenge is to understand the technology infrastructure services provided by DOL's nine major agencies and construct, plan, and provide a multi-year implementation of consolidated technologies and services management. The results of this effort include the reduction of redundant infrastructure components, significant cost savings through the implementation of common technology, and a unified security framework.

Comprehensive IT Project Management Status for FY 04-05



## GovBenefits.gov

To celebrate the third anniversary of GovBenefits.gov in April 2005, we announced the expansion of our GovBenefits.gov Web site to more than 1,000 Federal and state benefit programs. We also launched GovLoans.gov en Español, which offers Spanish-speaking communities greater access to available Federal and state loan program information.

“GovBenefits.gov offers diverse and extensive benefit program information for veterans, seniors, students, teachers, children, people with disabilities, dependents, disaster victims, farmers, caregivers, job seekers, prospective homeowners and more,” said Deputy Secretary **Steven J. Law ('01)**. “The Web site has attracted more than 17 million visitors since it went online in April 2002, increasing citizens’ access to benefit programs and information they may not have known existed.”

## DOL Employees Transfer to New Payroll Provider without a Hitch!

One of our most visible “personal bests” — and of great interest to all employees — occurred on April 3, 2005, when the Department of Labor joined 125 other Federal agencies with over 500,000 employees who receive payroll services from

the Department of Agriculture’s National Finance Center. This migration was a major accomplishment — the result of a successful collaboration between the Offices of the Assistant Secretary for Administration and Management and the Chief Financial Officer. It could not have been done without the tremendous support from agency Human Resources Offices—coordinated by **Anne Bartels ('82)** of the Human Resource Center—and through the assistance of **Jody Grant ('02)** from the Dallas Office and **Diane Atchinson ('03)** from the BLS Human Resource Office, who were instrumental in testing the system and ensuring all was in place to get people paid timely and correctly. Underpinning the payroll migration were the tireless efforts by the staff of the Department's Payroll Office, particularly those of **Barbara Burkhalter ('02)**, **Darlene Edwards ('88)**, **Gmerice Riddick ('88)**, and **Robert Balin ('02)**. The National Finance Center (NFC) was particularly impressed by our communication process—under the leadership of **Kathy Alejandro ('80)**—to educate and prepare employees for the change in payroll offices. Through the dedicated efforts of all team members, the migration to the NFC payroll system was smooth and successful.



DisabilityInfo.gov home page contains links to information of interest to people with disabilities and can be found at <http://disabilityinfo.gov/>

## DisabilityInfo.gov

Earlier this year, DisabilityInfo.gov was completely redesigned in order to improve its appearance and ease of navigation, enabling citizens to quickly obtain disability-related content from 16 Federal Departments and Agencies. To date, the site has received more than 4.4 million visitors. DisabilityInfo.gov has become an increasingly important resource for people with disabilities, their family members, faith and community-based organizations, military service members and many others.

Over the past year, we have reached out to more than 30 national disability, educational, business and human resources organizations, encouraging them to establish links to *DisabilityInfo.gov*. In 2005, 72 articles were published, public service announcements were aired by 47 radio stations, and ODEP Assistant Secretary **Roy Grizzard ('02)** participated in 35 radio interviews to discuss *DisabilityInfo.gov*. In addition, through E-newsletters and other communications vehicles this year alone, information about the Web site has reached more than 100,000 individuals, non-profits, employers



Q: What is Enterprise Architecture?

A: Standards that allow DOL systems to talk to each other as seamlessly as possible.

Q: Why does it matter to me?

A: Customers and employees are able to do their business more efficiently using technology. Money spent on building similar systems throughout DOL can be channeled into mission-oriented priorities.

and service providers in the states and cities in which they live and work.



### Wage Determinations OnLine.gov

The Wage Determinations OnLine (www.WDOL.gov) e-government project was honored as a finalist for one of the 2005 Intergovernmental Solutions Award presented by the American Council for Technology (ACT) in May. A committee of government and industry IT professionals selected the finalists based upon six program criteria demonstrating intergovernmental collaboration, effective technology use, fundamental change, accessibility, and model technological solutions. WDOL.gov is a central Web site that provides electronic access to wage determinations for the Davis Bacon Act and Service Contract Act issued by the Department of Labor. While it is designed primarily for use by federal contracting agencies, anyone may access it. It is the culmination of a collaborative effort primarily by DOL, OMB, National Technical Information Service (within the Department of Commerce), Departments of the Army, Navy and Air Force, Army Corps of Engineers and GSA. It supplants a paper process and contributes to streamlining government procurement and acquisition. Long-time Department of Labor employees **Bill Gross ('74)**, **Nila Stovall ('84)**, **Tiffany Allen-Holmes ('94)**, **Sandra Hamlett ('70)**, **Tim Helm ('84)**, **Vanessa Shaw-Jennings ('96)**, **Clarence Strain ('70)**, **Michelle Bechtoldt ('70)**, **Julia Stone ('70)**, **Daniel Simms ('94)**, **John Frank ('75)** and **Terry Sullivan ('70)** all contributed to the development of this valuable e-government resource.



### YouthRules!

The Wage and Hour Division's YouthRules! Web site has grown into one of our most popular Web resources for young people and employers.

The YouthRules! Web page provides quick access to information about Federal and State labor laws that apply to young workers. The Web page includes information designed to educate teens, parents, educators and employers about the hours youth

can work, the jobs youth can do, and how to prevent workplace injuries.

In FY 2005, the Wage and Hour Division developed a new YouthRules! electronic seminar entitled "Youth Working in Construction." The CD, available on line, was developed by Wage and Hour Midwest regional investigators **Tom Buckley ('83)**, **Ellen Bishop ('85)**, **Dave Huster ('74)**, **Dale Styliniski ('83)**, **Verne Waldow ('77)** **George Victory ('73)** and **Barry Haber ('71)**, and with the support of **Tim Reardon ('70)**, **Shirley Gardner ('96)**, and **Libby Hendrix ('83)**. ■

### Govbenefits.gov Makes Dear Abby!

*The following column was printed in an October 2004 edition of "Dear Abby," the most popular and widely syndicated column in the world.*

DEAR ABBY: Veterans and their families might be interested to know about a new Web site: www.govbenefits.gov. It's government-sponsored, and organizes 500 federal and state benefit programs, targeting citizens into one single site. Veterans can log on, answer a few anonymous questions and find out which benefits they may be eligible to receive. It's also a helpful site for case workers, relatives or caregivers. I answered the questions for my grandfather, a World War II veteran from 1941-'45, and discovered 21 benefit programs for which he might be eligible. —

KEITH NELSON,  
WASHINGTON, D.C.

DEAR KEITH: Bless you for sharing this information with my readers. Upon further investigation, I learned that www.govbenefits.gov was created by the U.S. Department of Labor, with contributions by 10 federal agencies and several states. (There is at least one benefit in every state.) Hosted by firstgov.gov, which just celebrated its fourth anniversary, the site also includes a Spanish language version: www.govbenefits.gov/es. Bravo!

As seen in a "Dear Abby" column by Abigail Van Buren a.k.a. Jeanne Phillips and founded by her mother Pauline Phillips. ©Universal Press Syndicate.



## Faith-Based and Community Initiative

### The Initiative in DOL: Listening, Learning, Leading

Over the past four years, our Department has sponsored pilot initiatives that build stronger links between faith-based and community organizations (FBCOs) and the nation's One-Stop Career Center System; assisted homeless and incarcerated veterans; helped ex-offenders transition from prison to work; provided HIV/AIDS workplace education in Uganda; reduced child labor and human trafficking in Central America, Africa, and the Middle East; and reached high-risk and disabled youth with career mentoring, job readiness and life skills training. DOL grant-making agencies and the Center for Faith-Based and Community Initiatives (CFBCI) have worked together to:

- Listen to the voices of community leaders and respond to their needs with innovative programs and tools;
- Build bridges between these communities and the many DOL resources that can help change lives; and
- Strengthen and expand on the remarkable assets of FBCOs to maximize the delivery of the high quality services.

### Breaking New Ground: The Intermediary Model

Recognizing that smaller FBCOs could benefit from outside expertise in program management, administration, and implementation, we developed a model through which these organizations could partner with intermediary organizations to work with the government. This innovation allowed us to extend our outreach to FBCOs well beyond the confines of direct grant programs. Forty-eight intermediaries have worked with over 300 grassroots organizations since 2001 through our coordination and funding support. By linking the administrative and reporting expertise of intermediary organizations to the human and program resources of small FBCOs, we are providing workforce development and other essential human services to populations not previously reached by DOL programs. FBCOs have been empowered to focus on the delivery of their vital services rather than administrative paperwork, resulting in stronger, more inclusive programs.

### Making Grants Accessible

Our faith-based office also worked with the Employment and Training Administration (ETA) to create manageable, direct federal "mini-grants" with streamlined application and reporting requirements. These grants were small in size, making them more suitable for smaller organizations. In addition, we simplified all Solicitations for Grant Applications (SGA), making them easier for small and novice applicants to understand and use. We also provided training designed to help FBCOs gain the experience they need to compete effectively for DOL funds and create plans to sustain their work past the life of their grants.





### **Ready4Work**

Each year, over 680,000 men and women are released from Federal and state correctional facilities. Many of these ex-offenders return to some of the most troubled neighborhoods in America. Without help, a majority of ex-offenders will return to criminal activity. In response, DOL CFBCI and ETA worked together to launch *Ready4Work*, a \$28.5 million, 16-site demonstration program in FY 2003 designed to create partnerships between FBCOs, law enforcement, corrections, and business to employ ex-offenders and reduce recidivism. This project is in its second year of operation and will serve 5,600 ex-offenders with job training and placement, voluntary non-religious mentoring, and case management over its three-year program cycle.

### **Touching Lives and Communities (TLC)**

TLC provides promising models for successful partnerships at the state and local levels. In order to tap the more than \$4 billion in DOL formula grant funds going to state and local workforce systems, two distinct partnership models were developed in Memphis, Tennessee, and Milwaukee, Wisconsin, that bridged the funding gap between local WIBs and FBCOs. ETA and CFBCI used the lessons learned in Memphis and Milwaukee to launch a grant program for WIBs designed to foster new partnerships between WIBs and FBCOs. ETA awarded \$5.8 million

in grants to twelve WIBs in 2004 and \$4.8 million to ten WIBs in 2005 to continue this important work. TLC also consists of a Web site that hosts peer-to-peer learning networks and a new outreach and technical assistance effort in 2005 aimed at encouraging states to replicate TLC promising practices. ■

*“The Faith-Based and Community Initiative has come far and fast at the U.S. Department of Labor. This has been largely due to the unprecedented coordination between the Center and all elements of departmental leadership and career professionals. Our accomplishments are something for the entire Department to share in and be proud of.”*

**Jacqueline Halbig ('02)**, Deputy Director,  
Center for Faith-Based and Community Initiatives



## Tools to Ensure the Taxpayers' Money Goes Farther Every Year

**T**he PMA sets out clear goals for us to reach. Some of the PMA initiatives ask us to do the best possible job to make sure we are spending the taxpayers' investment as wisely and effectively as possible.

### Eliminating Improper Payments

The FY 2005 PMA established a separate scorecard for Eliminating Improper Payments. Improper payments are payments made to the wrong recipient, in the wrong amount, or used in an improper manner by the recipient. Improper payments reported by all Federal Agencies in FY 2004 totaled \$45.4 billion. The Department of Labor's improper payment levels in FY 2004 were roughly \$3.9 billion, down from \$4.2 billion reported in FY 2003.

Unemployment insurance, which is administered by States in most instances, makes up most of that total. "It's been very rewarding to develop the strong partnerships that we have formed with states, other Federal agencies, and the OCFO to prevent fraud and abuse in the UI system," said **Betty Castillo ('90)**, Chief, Division of Unemployment Insurance Operations, Office of Workforce Security, Employment and Training Administration.

Based on preliminary results, we believe these partnered efforts will result in earlier detection of overpayments, fewer overpayments, and higher recoveries. The SUTA Dumping Prevention Act, signed into law in August 2004, gave states access to the National Directory of New Hires for this purpose. Additionally, we worked out an agreement with the Social Security Administration to enable verification, in real time, of claimants' social security numbers and other information, with the objective of increasing the accuracy of benefit payments and reducing program costs. Lastly, we proposed legislation to obtain additional tools to help reduce Unemployment Insurance improper payments and increase recoveries.

Overall, our efforts to detect, prevent, and recover improper payments will continue to be a focus, so that taxpayers can be assured that their dollars are spent as intended.

*"This has been a challenging year in dealing with UI overpayments. By concentrating our efforts on identifying the leading types and causes of overpayments, we are making real progress in applying tools, such as cross-matching recipients of UI payments with the National Directory of New Hires, which will facilitate the prevention or early detection of erroneous payments."*

**Andy Spisak ('84)**, Mathematical Statistician, Division of Performance Management, Office of Workforce Security, Employment and Training Administration

## Competitive Sourcing

Competitive sourcing is designed to maximize Agency and private sector competencies to realize the most cost-effective level of quality service. Our Office of Competitive Sourcing provides centralized management to assist agencies throughout DOL to benefit from the experience of others in performing competitions and sharing lessons learned.

The goal of competitive sourcing is to improve both the quality and value of services at our Department—especially those that are not directly tied to a specific mission-critical government activity. One of the most reliable methods to achieve performance improvements is through competition, regardless of whether the work stays in-house or is provided by contract. Agencies are responsible for conducting competitions in a fair, transparent and competitive environment, ensuring that no bias is present to favor a specific outcome.

### FY 2004 Competitions Completed: Saving Taxpayers' Money!

Function	Performance Decision	Cost Savings /Avoided
IT Service	In-house	\$750,000
Invoice Payments	In-house	\$750,737
Administrative Services	In-house	\$5,880,000
Printing and Reprographics (Standard)	In-house	\$2,030,000
Reports Disclosure	Contract	\$1,500,000
Conference Center	In-house	\$1,340,283
Statistical Systems (Standard – completed 2005)	In-house	To Be Determined
Finance and Accounting (Standard – completed 2005)	In-house	\$255,918

In 2004, DOL announced eight competitions — five streamlined and three standard competitions — for IT services, invoice payments, administrative services, printing and reprographics, reports disclosure, conference center, statistical systems, and finance and accounting. Seven of these competitions were won by the in-house workforce and one was decided in favor of an outside contractor.

For those employees who are impacted by competitive sourcing activities, **Suzy Barker ('03)** has been named DOL's Competitive Sourcing Placement Official. Her role is to help place employees in new positions when necessary.



## Real Property

One of the newest PMA initiatives is designed to ensure the effective management of Federal Real Property. On February 4, 2004, President George W. Bush issued Executive Order 13327, Federal Real Property Asset Management, which states: "It is the policy of the United States to promote the efficient and economical use of America's real property assets and to assure management accountability for implementing Federal real property management reforms."

In June 2005 — in keeping with the principles of Executive Order 13327 — Deputy Secretary Law established a Departmental workgroup designed to implement this new President's Management Agenda initiative.

Assistant Secretary **Patrick Pizzella ('01)** — the Department's Senior Real Property Officer — leads this work group under the auspices of our Management Review Board.

Workgroup membership includes **Emily Stover DeRocco ('01)**, Assistant Secretary for Employment and Training; **David Dye ('01)**, Acting Assistant Secretary for Mine Safety and Health; **Jim McEntire ('03)**, **Ed Hugler ('77)**, **Rick French ('90)**, **Al Stewart ('91)**, and **Terry Wear ('04)** from OASAM; **Tom Dowd ('94)**, **Grace Kilbane ('88)**, **Anna Goddard ('67)**, and **Maggie Carson ('98)** from ETA; and **David Meyer ('00)** from MSHA.



### DOL Owns 126 Properties in 50 States and Territories

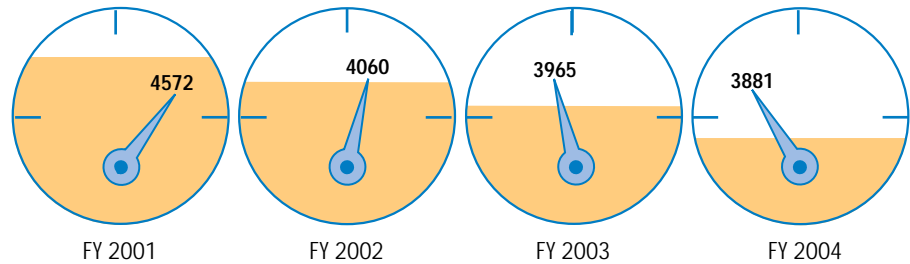
California	7	Connecticut	2
Kentucky	7	Hawaii	2
New York	6	Maine	2
Oklahoma	5	Maryland	2
Oregon	5	New Mexico	2
Florida	4	Tennessee	2
North Carolina	4	Utah	2
Pennsylvania	4	Alaska	1
Texas	4	Colorado	1
Washington	4	Delaware	1
West Virginia	4	District of Columbia	1
Arkansas	3	Idaho	1
Georgia	3	Indiana	1
Illinois	3	Iowa	1
Louisiana	3	Kansas	1
Massachusetts	3	Minnesota	1
Michigan	3	Nebraska	1
Missouri	3	Nevada	1
Mississippi	3	New Jersey	1
Montana	3	North Dakota	1
Ohio	3	Rhode Island	1
Puerto Rico	3	South Carolina	1
Virginia	3	South Dakota	1
Alabama	2	Vermont	1
Arizona	2	Wisconsin	1



## Baby, You Can Drive My Car

Another “personal best” we are achieving in stewarding taxpayer resources wisely is reducing the number of automobiles our Department owns and maintains. Starting in December 2004, we implemented the Automobile Use Tracking On-Line System (AUTOS), a Web-based tool for DOL agencies to collect data on our fleet of more than 3,500 vehicles. AUTOS is already helping us measure our progress toward reducing fleet petroleum consumption by at least 20 percent by the end of FY 2005, as required by Executive Order 13149.

### DOL Fleet Management – Total Vehicles



AUTOS gives DOL fleet managers the ability to:

- Track the acquisition, mileage and fuel usage for all vehicles;
- Measure alternative fleet vehicle (AFV) acquisition and petroleum consumption levels;
- Track accident information for all DOL vehicles; and
- Retrieve ad hoc management reports on vehicles and their usage.

Through the use of AUTOS, we are working hard to identify vehicles that are unnecessary or underutilized and target opportunities for savings by eliminating these vehicles. Over the last four fiscal years, we have been able to reduce the number of vehicles in our fleet by 691 vehicles, or nearly 15%. (see above)



## Compliance Assistance

One of our missions is to help our regulated community achieve their “personal best” in complying with our laws and protecting their workers. In FY 2005, we started our own internal Compliance Assistance Scorecard to measure how well we provide compliance assistance to the regulated community, as well as how agencies have incorporated compliance assistance into their own evaluations and employee training.

By measuring how well we provide compliance assistance and what steps we have taken to integrate it into our culture, we are making our worker protections better and more successful. By helping employers and others understand their responsibilities under Federal employment laws, we are helping prevent violations of these laws. Thus, our enforcement resources can be more effectively targeted on the small percentage of “bad actors” that intentionally violate these laws.

It has been three years since Secretary **Elaine L. Chao ('01)** launched the compliance assistance initiative by announcing a new culture of responsibility at DOL, one where we are more proactive in helping employers and others understand the rules and regulations we enforce. Since then, DOL agencies have made significant strides in incorporating compliance assistance into their organizations' activities and thus have advanced our mission of protecting workers. These achievements have been recognized by others. For example, we received an “A” grade on compliance assistance from the Small Business Administration's Office of the National Ombudsman.



Wage and Hour Investigator **William Liu ('99)**,  
Houston District Office (DOL Photo).

*“The Compliance Assistance Scorecard has encouraged agencies to highlight their many successful and innovative approaches to compliance assistance and we have learned from each other's experiences. DOL staff around the country are doing a great job reaching out to employers and others to help them understand and comply with the laws and regulations DOL enforces. We will continue to share the agencies' stories and experiences so we can all learn from them.”*

**Barbara Bingham ('75)**, Director,  
Office of Compliance Assistance Policy, Office of the Assistant Secretary for Policy

## FairPay Web Site

On August 23, 2004, the new Over-time Security Regulations went into effect. To help employers and workers understand the details of the new regulations, the Wage and Hour Division developed the FairPay Web page. The Web page has four interactive training seminars hosted by Wage and Hour employees **Richard Brennan ('76)**, **Corlis Sellers ('76)**, and **Cynthia Watson ('87)**. In addition, there are over a dozen fact sheets, a side-by-side comparison document, Frequently Asked Questions, and a model policy. The Web page received technical support from WHD's Web team coordinated by **Carl Smith ('74)** and **Barbara Brown ('90)**. ■



The FairPay web site (<http://www.dol.gov/esa/regs/compliance/whd/fairpay/main.htm>) contains video seminars, fact sheets and presentations in English and Spanish.



## Timely, Accurate Information Means Better Decisions and Better Programs

With timely and accurate financial information, we are improving program performance and accountability for the American people.

“Our audits...identified areas in which the Department has achieved success, most significantly in the financial management area, as evidenced by DOL receiving an unqualified opinion on its consolidated financial statements for the eighth year in a row” noted **Gordon S. Heddell ('00)**, DOL Inspector General, in the latest Semiannual Report to Congress.

To ensure that the Department's financial operations comply with all Federal financial management laws, regulations, and standards, and to quickly identify and address potential problems, we instituted a quarterly certification program through which Agency heads and their senior staff attest to the adequacy of financial management controls in their Agencies. This process continuously emphasizes the importance of financial management and integrity and provides better assurances of timely resolution of financial management issues.

We are reaching toward a new “personal best” in financial performance by implementing a managerial cost accounting system named Cost Analysis Manager (CAM). The CAM initiative is helping us meet the challenges of the PMA's Improved Financial Performance Initiative by integrating performance and financial information. In September 2004, Labor completed the implementation of the CAM system and

### Virginia C. Smith – '79

*“I've always remembered, over the last 25 years, that I am working for the American Public”*



Virginia Smith is a recipient of the 2004 Presidential Rank Award. She has served as Director of Enforcement for the Employee Benefits Security Administration (EBSA) since 1997.

Smith started at the Department of Labor as a trial attorney in the Office of the Solicitor. Smith joined EBSA as chief of the Division of Field Operations in the Office of Enforcement. In 1993, Smith worked as the Secretary's liaison officer for EBSA and other agencies with the Department. In 1996, she became director of EBSA's Philadelphia Regional Office before moving up as Director of Enforcement.

In that capacity, she oversees the activities and projects of the 15 field offices throughout the country responsible for conducting investigations in to civil and criminal violations.

Smith received a law degree from Catholic University in Washington and a Bachelor of Arts degree in History from Goucher College. She is admitted to the Maryland State Bar.

rolled out access to CAM information to 140 Agency personnel across 15 agencies. Over 150 Agency personnel from the financial, budget, performance, and program communities were trained on CAM methodology, report access, and use of CAM information for decision-making.

The Department is committed to having CAM become an integral part of management's day-to-day decision-making process. As Agencies are able to get more accurate and timely financial information, they will be able to make better decisions about allocating resources to achieve our mission goals.

### CAM-a-Lot: ESA and ETA

ESA's Wage and Hour Division, led by **Libby Hendrix ('83)** and **Bob Devore ('87)**, is working to integrate CAM unit costs into its decisions regarding the allocation of regional resources. ESA's CAM model allocates resources based on regional performance against a set of metrics that support the performance plan objectives. This will increase regional incentives to improve performance, using cost as one of the criteria for success.

ETA's CAM model is producing valuable data about the cost of managing grants by grant type (i.e., formula, discretionary, earmark, and national emergency). It provides program administrators and managers with comparative costs of grant





Staff from the Women's Bureau and the Office of the Chief Financial Officer reviewing the Bureau's Cost Analysis Manager (CAM) model.

management activities across regions by type of grant. Since the type of grant is a significant driver in the grant management process, this information can be used for resource allocation purposes. This capability can also be leveraged to identify and institutionalize best practices across ETA. The ETA CAM model also provides administrative Salaries and Expenses unit costs for program managers to monitor the performance of internal business processes.

### **New and Improved Green Eye-Shades**

We are also in the midst of replacing our old department-wide core accounting system (DOLAR\$). The new financial management system will support the goals of the PMA to improve financial performance and budget and performance integration. Using advanced technology and an integrated system approach, the new system will transform our financial services capabilities from merely processing transactions to providing analytical support for decision making. It will provide on-demand,

timely and useful financial information to help all of us make sound decisions and assumptions regarding our programs.

Two goals of the PMA's Budget and Performance Integration Initiative are to use performance information to manage, and to know the full and marginal cost of performance. With the advent of the Government Performance and Results Act, DOL Agencies have independently put in place their own strategic management plans and have refined their internal reviews of performance to parallel these plans. To synthesize this information, we have instituted a quarterly Budget and Performance Management Review that provides the Deputy Secretary with a high-level overview of the health and progress of DOL programs, budget and performance.

Developing marginal cost models to relate resources to performance has been a challenge. Translating the classic marginal cost model to government operations as diverse as those at DOL requires a great deal of

thought and experimentation. We are using logic models as an analytical tool to show the ties from budget activities to outputs, to performance goal indicators, and to performance goals. Using these relationships for the first time in the FY 2007 budget formulation, we now have an additional tool to base our justifications on sound associations between funding and performance. Who stands to benefit most? Workers and taxpayers. ■

## “Personal Best” – Agency Perspectives

Winning at DOL ultimately means providing the most high-quality, cost-effective service possible to citizens. The following examples are a few of the ways our Agencies have used the PMA and PART in improving their program performance.

### EBSA: Achieving Human Capital Excellence

In support of the Administration’s priority to protect the security of workers’ retirement programs and other benefits, the Employee Benefits Security Administration (EBSA) embarked on a comprehensive human capital strategic process to strengthen their workforce. The Agency conducted workforce analyses that identified skill gaps in critical occupations and program expertise needs. As a result, EBSA implemented an Expert-in-Residence program — a novel approach using private sector expertise to improve public sector services. Outside experts in securities, real estate, and other complex financial products and services join the Agency for up to two-year periods. They enable Department officials to understand particular financial products and services; help design any necessary regulatory or enforcement safeguards; and assist in technical matters such as the establishment of employee training programs. The Expert-in-Residence program addressed a human capital skills imbalance within EBSA while also providing guidance on timely financial issues and the development of safeguards to protect employee benefit plans.

### ILAB – On the International Front

The Bureau for International Labor Affairs (ILAB) is moving forward to improve its international technical assistance programs as a direct response to the PART review. ILAB developed baseline cost efficiency measures to be used in the development and funding of more effective projects. The Bureau is also beginning a program evaluation to study the extent to which its grant programs are achieving their goals, compare the goals and results of ILAB programs with those of other government-funded programs, and identify additional performance measures that will capture a broader picture of program results.

To identify program elements that have proven most effective, ILAB is reviewing the recommendations of evaluations of 55 child labor elimination projects, and is conducting eight audits of Child Labor Education Initiative projects. These audits are examining project financial data and verifying the performance data reported by grantees. ILAB has also requested audits by the International Labor Organization’s external auditor. From these evaluations and audits, ILAB is preparing to improve project performance and inform future funding decisions.

*“The President’s Management Agenda, specifically the Human Capital Management initiative, has caused EBSA to focus on what we need to do now to build, sustain, and effectively deploy the skilled, knowledgeable, diverse, and high-performing workforce needed to meet current and emerging program needs.”*



This photo, taken during a project audit in Burkina Faso, shows a new school built with the support of DOL’s Child Labor Education Initiative. This school replaces an outdoor classroom in an area where children are vulnerable to trafficking.

### ESA: Improving Program Performance in the Federal Employees’ Compensation Program

The Employment Standards Administration’s Office of Workers’ Compensation Programs (OWCP) is using PART results to improve service to Federal employees. The most visible progress is being made in customer services. Historically, OWCP had struggled with effectively responding to millions of telephone calls and information requests generated by claimants, Federal employers, and medical providers under the Federal Employees’ Compensation Program.

There was a lack of responsiveness to customer inquiries; inconsistent application of call handling proce-

**Brian McDonnell (‘79)**, Director of Program Planning, Evaluation, and Management, Employee Benefits Security Administration

dures; informal and ineffective training and call handling oversight; and labor-intensive performance reporting processes. To tackle these issues, OWCP received funding to upgrade its telephone platform and automate its call monitoring system; it reorganized its telephone handling and customer service operation and developed a communications performance goal. The goal was to increase customer access to information sources, improve responsiveness to callers, and raise the level of call handling quality and information accuracy. Since FY 2003, the number of customers obtaining information from, or submitting documentation through, the OWCP automated systems has more than doubled; average caller wait times have been reduced by 40 percent; turnaround time to caller inquiries has been reduced by more than 10 percent; and 93 percent of calls meet program standards of quality.

### **ETA: Employment and Training Crosscutting PART Progress**

The Employment and Training Administration (ETA) has been successful in using PART recommendations to improve program performance, management, and efficiency. Key recommendations to ETA from the PART included: adopt Common Performance Measures; eliminate duplicative services programs; and increase flexibility of workforce programs to target Federal employment and training dollars to the areas of greatest need.

The Department of Labor's FY 2006 budget requests the consolidation of several programs into a single grant program in order to use Federal workforce dollars more efficiently. The single grant will help eliminate duplication in the delivery of core services and workforce information by

### **Thomas M. Dowd - '94**

*"To be successful, you need a sense of wanting to accomplish something. Also, you need to be agreeable with others and support your colleagues."*



Tom Dowd is a recipient of the 2004 Presidential Rank Award. He is the Deputy Assistant Secretary for Employment and Training.

Dowd is responsible for managing and directing activities of the Office of Financial Administration and Management, the Office of Performance and Results, the Office of Field (Regional) Operations, the Office of Technology, Job Corps, the Office of Apprenticeship Training and Labor Services, and the Foreign Labor Certification Programs.

Dowd has worked throughout his career to serve the needs of America's workforce as a Department of Labor employee and in the not-for-profit sector. Prior to joining the Employment and Training Administration, Dowd worked as a community economic developer with Futures for Children in Albuquerque, New Mexico. He also worked as the Executive Director of Native Americans for Community Action in Flagstaff, Arizona.

Dowd is a graduate of the University of New Mexico, with a Bachelors of Science in Political Science. He also completed two years of Peace Corps Volunteer service in Sierra Leone, West Africa. Other places he has lived and worked include Denmark and Japan.

One-Stop Centers, as well as eliminate redundant reporting and accounting requirements. Proposed legislation supported by the Administration would go even further, allowing Governors to consolidate funding for up to five other training programs such as vocational rehabilitation.

The single grant approach also addresses the PART finding to "increase flexibility to target resources to areas of greatest need" by allowing states to determine how delivery of services will be administered to better meet the needs of job seekers and businesses. For example, Governors and State and local workforce investment boards will be able to exercise discretion on how best to use resources to address local needs, rather than having a Federally-prescribed approach that allots dollars only for specific groups. This

will reduce potential overlap between programs and allow for more responsive and effective local programs.

Lastly, the Common Performance Measures are being implemented for many of ETA programs in Program Year 2005. These measures are gauging how many people get jobs, if they remain in the job, and whether their wages increase.

Many of these changes and others that support PART recommendations are contingent upon enacting the President's proposal for the Reauthorization of the Workforce Investment Act.

## ETA: A Unified Performance Measurement System

Last year, we inaugurated the ETA Management Information and Longitudinal Evaluation (EMILE) Reporting System. EMILE was designed to replace the old quarterly reporting requirements of 12 employment training programs with a single, streamlined reporting structure that allows for consistent, comparable analysis using the definitions for common measures and other information reported by the states.

Our ultimate goal is to improve the comparability of performance results by all customers of the workforce investment system, and respond more effectively to the management information needs of Congress, the Administration and the general public.

The value of implementing a set of common measures within a more unified performance measurement framework is the ability to describe in a similar manner, for the first time, the core purposes of the workforce system - how many people found jobs; whether people stayed employed; and what were their earnings. This will deliver performance information that will enhance the Department's ability to assess the effectiveness and impact of the workforce system in helping job seekers find meaningful employment, and in helping employers find workers.

*Using the Internet to collect BLS occupational injury and illness information has helped to improve the timeliness and accuracy of our data. Many of the 50,000 injury and illness cases captured via the Internet each year are received earlier in the collection period, which is vital to our efforts to accelerate our release schedule. When employers use the Internet to enter their data, we are able to skip several processing steps that can introduce errors. Employers have informed us that using the Internet to report their data has made it easier for them to interact with us, and it is preferable to paper forms.*

**Bill Wiatrowski ('80)**, Assistant Commissioner for the Office of Safety, Health, and Working Conditions, Bureau of Labor Statistics

## BLS: Data Collection by E-Government

Making effective use of information technology, the Bureau of Labor Statistics (BLS) now offers its survey respondents an Internet Data Collection Facility (IDCF) to report their data. BLS relies on thousands of businesses to provide information on a voluntary basis. Maintaining good response rates requires BLS to keep respondent burdens light, and to offer a variety of modes of data collection that are suitable to diverse capabilities and preferences. Using the IDCF, participating respondents can send their data via secure Internet transmissions, making it considerably easier for businesses to interact with the Federal Government. Three programs are currently using the IDCF to collect economic data from their respondents. We are now seeing more and more respondents select IDCF as their mechanism for transmitting data, and now other programs are thinking about offering this option.

## MSHA: Mining Fatalities at Record Low

The Mine Safety and Health Administration (MSHA) is always looking at ways to take what is working and make it better. Together with the mining industry, great strides in safety and health have been made over the past few years. Mining fatalities dropped 34 percent between 2000 and 2003, and in 2004 the mining industry achieved another milestone year, with the lowest level of fatalities ever recorded. Today, there are fewer incidents of injuries, fatalities and occupational illness in mining than ever before. MSHA continues to seek out new tools and strategies to keep this trend moving downward — aiming for the ultimate goal of zero mining fatalities.



## OSHA: Site Specific Targeting Works

The 2004 PART findings for OSHA cited several program evaluations that OSHA conducted to find ways to improve its programs. At the same time, OMB recommended establishing a stronger link between declining national injury and illness rates and OSHA programs. As a consequence, to determine if OSHA's enforcement resources were being used effectively, the Agency decided to have an independent evaluation of the impact of its Site Specific Targeting program (SST).

The SST focuses on establishments rather than particular industries. Using its data collection system, OSHA identifies approximately 14,000 employers with injury and illness rates that are higher than the industry average. Those employers are advised of their high lost workday injury and illness rates and increased chances for OSHA programmed inspections. Employers are encouraged to take proactive steps to reduce their injury and illness rates. OSHA also provides assistance, including free safety and health consultation services.

The SST evaluation found that employers that received a high hazard notification letter reduced their injury and illness rates by between 4.8 and 5.1 percent. Those companies that received a letter followed by a programmed inspection reduced their rates by between 12.0 and 13.8 percent.

## John B. Miles, Jr. – '72

*"I feel like the real bottom line is that we make a difference in the workplace by reducing injuries, illness, and fatalities."*



John Miles is a recipient of the 2004 Presidential Rank Award, and also a recipient of the 1992 Presidential Rank Award for Meritorious Executive Service. He is the Occupational Safety and Health Administration Regional Administrator in the Dallas Region.

In 1972, Miles began his federal service as a safety engineer with OSHA. One highlight of his career includes developing the "Maine 200" program. This was a pilot program creating working partnerships to increase safety in 200 Maine-based companies. The 197 companies that participated in the program experienced a significant decrease in injuries. The "Maine 200" program received the Harvard University Innovations in Government Award.

Mr. Miles is originally from Anadarko, Oklahoma. He received his Bachelors of Science and Masters of Science in Aeronautical Engineering from the University of Oklahoma. Prior to the Department of Labor, he worked at NASA and General Dynamics Corp.

The evaluation also provided performance information, measured program results and validated current efforts, verifying that resources were being used effectively to protect workers.

## VETS: Preparing for PART Brings Program Improvements

Even though the Veterans' Employment Training Service (VETS) was not on the PART schedule until the 2005 review, VETS leaders didn't wait to use the PART to improve their accountability and performance. In 2003, VETS instituted a special program assessment review. An adaptation and customization of the PART, the review is used for annual agency-wide assessments at both the regional and State levels. State Directors submit their program

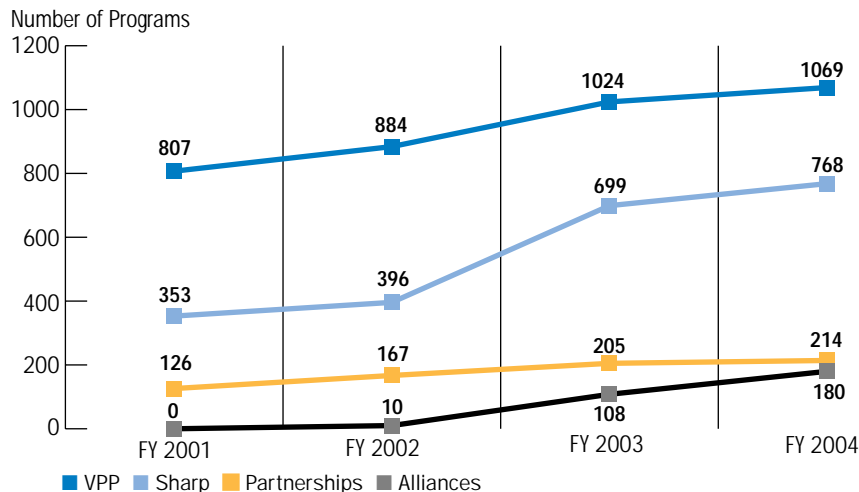
analyses, which are rolled up by the Regional Administrator into a report, and then analyzed by VETS senior management. State results are also used in each Region's annual "State of the Region" report. VETS has found the review useful in identifying and prioritizing opportunities for performance improvement. VETS also uses these results for financial and internal control certification in conjunction with the Federal Managers Financial Integrity Act (FFMIA). Acting Assistant Secretary **Charles "Chick" Ciccolella ('01)** said, "Our special review has enabled us to better prepare for PART. It has also helped our rank and file staff in the field understand the importance of objective program assessment, and of evaluating our efforts in a larger environment."

*"The SST evaluation is an example of improved use of OSHA data to gauge program efficiencies and effectiveness, and is demonstrative of the type of program assessments OSHA will be pursuing in the future."*

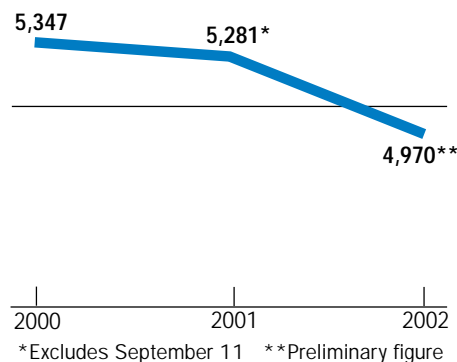
**Dr. Keith Goddard ('04)**, Director, OSHA Directorate of Evaluation and Analysis

## OSHA: Compliance Assistance Up; Injuries and Illnesses Down

### Compliance Assistance



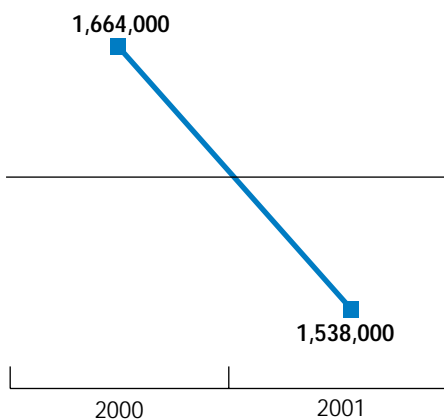
### Occupational Fatalities



### Rebuilding OLMS: Getting Results for Union Members

There was a knock on the door at dawn . . . and the party was over. That morning, FBI agents and OLMS investigators raided the homes and offices of Washington Teachers' Union (WTU) leaders to seize evidence of the high life that these trusted officials had been living for the past 7 years.

### Injuries & Illnesses



**Mark Wheeler ('97)**, Supervisory Investigator at the Washington District Office of Labor Management Standards (OLMS), participated in this carefully planned enforcement action. "We found all of the luxury items you'd expect to see in a case like this," says Mark. "There were antiques, jewelry, ball gowns, and original art. Not to mention furs, high-end electronics, and a \$57,000

sterling silver service. And all of the big name designers were well-represented too: Tiffany, Versace, Hermes. You name it, and they had it."

According to Mark, "It was both exciting and gratifying to recover these ill-gotten gains. After seeing the tangible evidence of these people's greed, and the way they lived . . . well, they just had no conscience."

As *The Washington Post* put it, "While union officials were . . . living large . . . teachers in need of the best representation were being exploited." Theirs was a self-indulgent lifestyle financed by charges on union credit cards during countless shopping sprees for personal goods and services that included \$100,000 for season tickets to sporting events, \$500,000 for custom-made clothing, and an annual salary of almost \$125,000 for the union president's chauffeur. Between 1995 and 2002, WTU officials embezzled approximately \$4.6 million from the union.

This raid was the culmination of many months of investigation, in a joint effort by OLMS and the FBI. Investigators conducted more than 100 interviews and examined nearly 100,000 documents obtained through subpoenas and search warrants. So far, the government has convicted six of those involved on charges of embezzlement. Other criminal charges and indictments in this case involve money laundering and conspiracy as well as mail and wire fraud. Three more defendants are currently on trial.

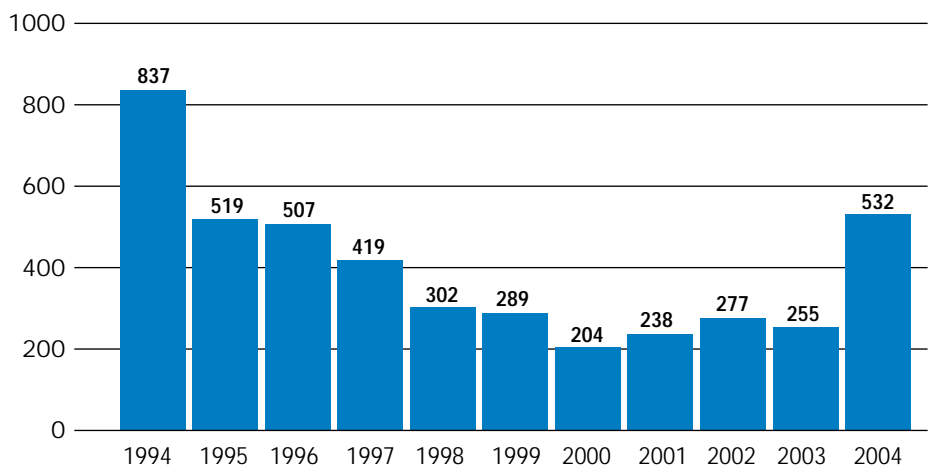
Commenting on the Department's role in bringing these officials to justice, Secretary of Labor **Elaine L. Chao ('01)** said, "We are proud of the contributions made by the Department of Labor's own Office of Labor-Management Standards during the investigation. Today's action demonstrates there are serious consequences for violating the bond of trust between unions and their members."

### Rebuilding OLMS: Compliance Assistance Critical to Form LM-2 Revision

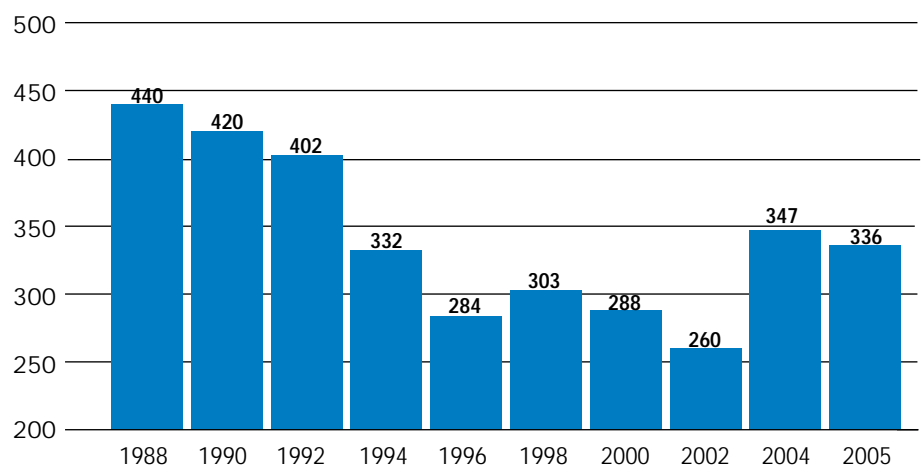
In the previous decade, the auditing and enforcement resources of OLMS were cut deeply, leaving union financial assets—and the interests of rank and file members—vulnerable to abuse. OLMS has reduced that risk significantly by rebuilding its professional staff and revising one of its annual financial disclosure reports, the Form LM-2, to achieve greater financial accountability in the management of union financial resources.

A key element of the reporting reforms was a national program of compliance assistance conducted by the agency for union staff responsible for preparing the LM-2 and maintaining its source documents—including union officials, employees, and accountants. "From the start, our goal was to educate and inform the accountants, who understood the concept and finer points of reporting," says **Bonnye Newkirk ('75)**, Chief of the Division of Reports, Disclosure and Audits in OLMS. "Once we explained the details to that group, they were able to dispel any skepticism on the part of union manage-

Number of Audits Performed by OLMS: 1994–2004



OLMS Staffing: FY 1988–FY 2005



ment and convince them that what OLMS wanted was doable."

As an early indicator of the agency's success in compliance assistance outreach, "More than 130 unions have voluntarily filed the new form, before they had to, just to try it out," says Bonnye. "That kind of cooperation is clearly the result of our outreach in educating those involved with filing the LM-2 about changes in the disclosure requirements."

This was a huge undertaking involving years of research and planning, litigation, and the review and analysis of more than 35,000 public comments in the refining of the final version of the new Form LM-2. The new report requires the largest unions, those with \$250,000 or more in annual receipts, to itemize receipts and disbursements of \$5,000 or more, starting in September of 2005.

## Building Security and Disaster Recovery Planning

One part of our job will never be finished at DOL: strengthening security for our employees after the terrorist attacks of September 11, 2001. During the last year, we have improved security for our national headquarters by initiating full security screening at all garage and pedestrian entrances; installing under-vehicle video inspection cameras for all vehicles entering the garages and loading docks; and finalizing construction of a state-of-the-art Security Command Center (SCC) at the Frances Perkins Building. The SCC will be the focal point for monitoring video security cameras, modern fire alarms, and upgraded access control systems. (The floor plan of the Security Command Center is below right) In addition, the SCC will receive information and initiate the implementation of emergency evacuation procedures which could lead to a full Continuity of Operation and/or Continuity of Government activation.

We have also completely revised our national Continuity of Operations Plan. Currently, all DOL agencies are working on revisions of their individual agency COOP Plans. We created an innovative "Digital GO Kit", a small, portable computer drive, to be used by executive and contingency staff personnel to maintain vital records and emergency information that will help them perform essential functions during any emergency. In addition, DOL has developed detailed guides

that will assist contingency personnel when relocating to any of the Department's Relocation Sites. Training and tabletop exercises have been initiated at the national and regional levels. The major emphasis for the coming year will be training, testing, and exercises to ensure that all plans are viable and internalized by our employees.

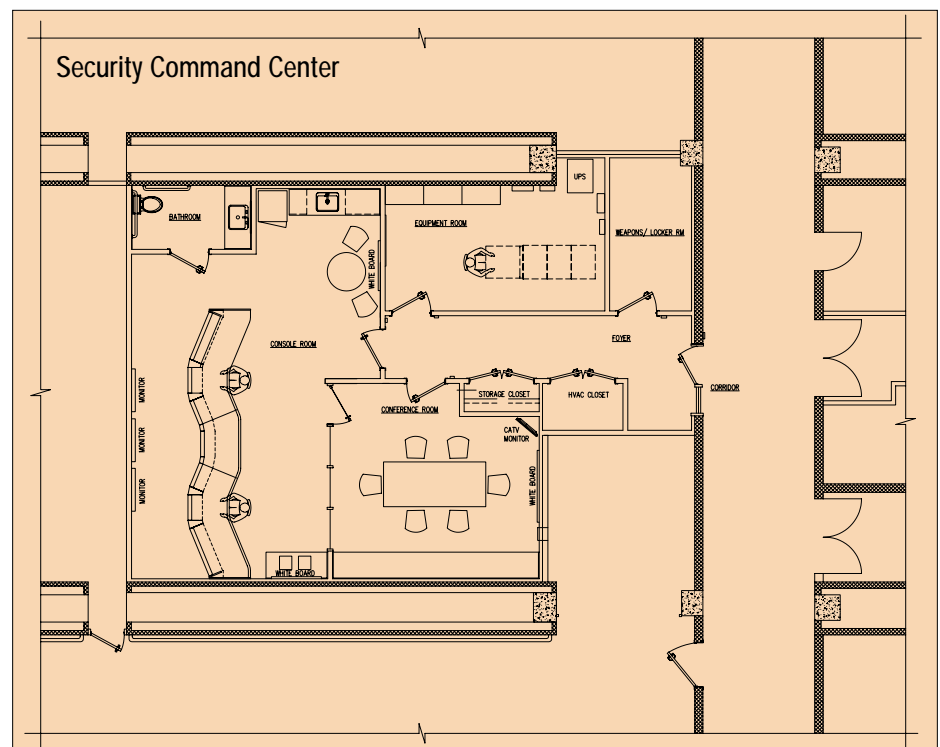
We moved several essential program areas for ensuring the safety of our federal staff to the Security and Emergency Management Centers within the Office of the Assistant Secretary for Administration and Management. These programs include building evacuation, Shelter-in-Place, and issuance of new Departmental identification badges. Extensive training for Floor Wardens and Zone Monitors, enhanced directional signage, and increased employee communications have lead to a record-breaking time for

the latest evacuation of DOL headquarters conducted on June 28, 2005. The policies and procedures developed in this effort will provide a template for DOL's implementation of HSPD-12, which requires issuance of a common identification card to all federal employees and contractors who need access to federal facilities.

## Safety and Health Begins at Home

President George W. Bush established the Safety, Health and Return to Employment initiative (SHARE) on January 9, 2004, via Executive Memorandum.

Federal workplace injuries cost the taxpayers more than \$2 billion and 2 million lost production days annually. In FY 2003, 168,000 injury claims were filed by Federal employees.





The President established a three-year program to:

- Lower workplace injury and illness case rates;
- Lower lost-time injury and illness case rates;
- Improve timely reporting of injuries and illnesses; and
- Reduce number of days lost to work injuries and illnesses.

The SHARE initiative involves all Executive Departments and Agencies and is coordinated by DOL, particularly OSHA and OWCP.

Minimum annual goals for each of the four elements of the SHARE program are:

- 3% reduction in total case rates;
- 3% reduction in lost-time case rates;
- 5% improvement in timely reporting of injuries and illnesses; and
- 1% reduction in lost production days due to injuries and illnesses.

In FY 2004, the first year of the 3-year SHARE program, the government-wide results have not met expectations:

Total Case Rates – **Failed**. In FY 2004, this number increased 9%.  
Lost-Time Case Rates – **Failed**. In FY 2004, this number increased 3%.  
Timely Reporting – **Succeeded**. In FY 2004, this number increased 18%.

Lost Production Days – **Failed**. In FY 2004, this number increased 10.5%.

#### Agency Breakdowns:

- Met 4 of 4** USDA, Navy, DOL, DOD, HUD, GSA, NASA  
**Met 3 of 4** USAF, Army, Commerce, Interior, DOT, Treasury, SSA, Energy  
**Met 2 of 4** VA, TVA, DOJ, ED, State, EPA  
**Met 1 of 4** DHS, HHS  
**Met 0 of 4** N/A

#### SHIMS – the Safety and Health Information Management System

DOL developed the Safety and Health Information Management System (SHIMS) — a Web-based workers compensation and safety filing system — to enable DOL workers and managers to submit Federal workers' compensation claims electronically. It was deployed DOL-wide in 2001 and has the potential for government-wide applications to speed the reporting work-related injuries and illnesses and filing of compensations claims among the Federal workforce.

Among the first to sign-on to the new DOL SHIMS Hosting system was the Transportation Security Administration (TSA). TSA now has an online filing portal for all its

employees nationwide, including access from airport facilities. DOL has also contracted with the Department of Education and the Federal Air Marshal Service to provide the electronic system in the near future.

*“The success of SHIMS demonstrated the power of inter-Agency collaboration and the value of leveraging solutions across agencies. The established PMA goals for Internal Efficiency and Effectiveness are thus proven to be meaningful and demonstrate how results-oriented programs can succeed with objective performance metrics.”*

**Richard Lewis ('97)**, Director of the Office of System Development and Integration  
Information Technology Center

Through the use of SHIMS information, the Department of Labor was able to reduce its workers compensation costs by \$3 million in FY 2004 and is on course to reduce the costs by an even greater amount greater in FY 2005. ■

## Performance, Results, and the Professionalism of the DOL Workforce

Achieving a “personal best” is not easy. The performance accomplishments, case studies, and other information presented in this report are just a small part of the story of the commitment of our Department of Labor employees.

Whether in our program activities or our support functions, we have set into motion a human capital

management strategy to find and retain the best people in government; our integrated performance budget and cost accounting systems are essential components in the Department’s decision-making processes; we are able to work more efficiently through information technology initiatives; and we have brought to bear new measurement tools to allow us to make constant improvements.

While having the right tools, infrastructure, and plans are important, it is your commitment to excellence that has made all this progress possible and made our Department a winner. ■

### E. Wade Green, Jr. – ‘00

*“Ten years from now, when Iraq is a stable, thriving Middle Eastern country...to be able to say I had a hand in that will be amazing—that in some small way it was because of the labor law and other reforms I worked on that unemployment went down; that since unemployment went down, citizens stopped shooting at each other in the streets because they had jobs, and that they put down their guns and started rebuilding their country,”*

E. Wade Green, Jr., a trial attorney in the Office of the Solicitor, is a recipient of the Valor Award, which recognizes employees who demonstrate unusual courage involving a high degree of personal risk in the face of danger.

A request made by the U.S. Pentagon, which eventually reached the Solicitor of Labor, helped to propel E. Wade Green Jr. from his comfortable Washington, D.C. office to work with a team in Iraq to draft a legal framework intended to assist with the transfer of power in Iraq and to facilitate the enhancement of the country’s overall operation.

From January to June 2004, Green helped update a legal system, with a 5,000 year tradition, by drafting laws to establish a new labor code for Iraq. Specifically, he worked in the legal areas of bankruptcy, public and private pension, unemployment insurance, secured transactions, union law and privatization.

Green received two Bachelors of Arts degrees in Global Political Science in Middle Eastern Political Systems and in Islamic Religion from the University of Georgia with a minor in Arabic. He also received a J.D. from University of Georgia Law School.



**Wade Green** stands in front of an armored Humvee wearing his external body armor and holding his Kevlar helmet. Green said he would “armor up” each time they went outside the Green Zone.



*Green's living quarters while in Iraq - an 8'x 9'x 20' unit that was surrounded by sandbags to shield him and other compound residents from mortar blasts.*

# DOL Status and Progress

May 6, 2005

March 2005

## Summary of Agency Implementation of the President's Management Agenda

	Strategic Management of Human Capital		Competitive Sourcing		Improved Financial Management		Expanded E- Government		Budget/ Performance Integration		Faith-Based and Community Initiatives	
	DOL Status	DOL 3/05	DOL Status	DOL 3/05	DOL Status	DOL 3/05	DOL Status	DOL 3/05	DOL Status	DOL 3/05	DOL Status	DOL 3/05
ETA			↑				↑		↑			
EBSA	↑				↓							
ESA									↑			
ESA-W&H			↑		↑							
ESA-OFCCP												
ESA-OLMS					↓				↑			
ESA-OWCP			↑		↑							
OSHA												
MSHA			↑						↓	↑		
BLS												
ODEP					↑							
OASAM												
ILAB												
VETS									↓			
WB					↑		↑					
OMB 2nd Quarter '05												
DOL Scores												

↑↓ = An increase/decrease in status of progress as of March 2005

## Presidential Rank Awards

Each year, the President recognizes and celebrates a small group of career Senior Executives with the President's Rank Award for exceptional long-term accomplishments. Winners of this prestigious award are strong leaders, professionals, and scientists who achieve results and consistently demonstrate strength, integrity, industry, and a relentless commitment to excellence in public service.

*"The President's Management Agenda is about better results and getting things done. You can only attend so many meetings, conferences, and staff retreats; in the end, you have to apply what you have learned to get better performance and outcomes. Just as the Employment and Training Administration supports the development of a demand-driven workforce system that trains and skills American workers to remain competitive, we also have to manage for improved performance by continuously learning and taking action."*

Thomas M. Dowd, Deputy Assistant Secretary for Employment and Training,  
Employment and Training Administration,  
2004 Presidential Rank Award Recipient

*"The President's Management Agenda serves as a tool – a tool that assists staff and management in Federal agencies to better program performance year-in and year-out, while more effectively maximizing returns on taxpayer dollars."*

James E. McMullen, Deputy Assistant Secretary for  
Administration and Management,  
2004 Presidential Rank Award Recipient

*"The President's Management Agenda's guiding principle for "results oriented" reform has led the Occupational Safety and Health Administration to new levels of performance in Compliance Assistance, Voluntary Protection Programs, and Enforcement. It has allowed the Occupational Safety and Health Administration to reduce injuries, illnesses and fatalities in the workplace."*

John B. Miles, Jr., Regional Administrator  
Occupational Safety and Health Administration  
2004 Presidential Rank Award Recipient

*"The President's Management Agenda provided an impetus for the Employee Benefits Security Administration to establish performance measures that focus on enforcement results. The EBSA enforcement program has instituted ambitious performance targets and delivers real-time performance feedback to management. We are continuing to improve the effectiveness of our enforcement program in order to protect the security of pension and health benefits for the American worker."*

Virginia C. Smith, Director of Enforcement,  
Employee Benefits Security Administration,  
2004 Presidential Rank Award Recipient



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